

STATE OF FLORIDA

JOE GARCIA  
CHAIRMAN



CAPITAL CIRCLE OFFICE CENTER  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0855  
(850) 413-6042

Public Service Commission

October 19, 1999

Erin L. Nicholas  
Utilities, Inc.  
2335 Sanders Road  
Northbrook Illinois 60062-6196

Dear Ms. Nicholas:

Re: Docket No. 991437-WS, Application of Wedgefield Utilities, Inc. for Increased Water Rates in Orange County - Test Year Approval

We have received your letter dated October 4, 1999, requesting approval for Wedgefield Utilities, Inc. (Wedgefield) to use an historical test year ended June 30, 1999 for interim and final rates. Further, you have stated that the utility will file its application using the Proposed Agency Action (PAA) provision in Section 367.081(8), Florida Statutes. The utility's test year request as outlined above is hereby approved. You should also be aware that prefiled direct testimony must be filed with the minimum filing requirements (MFRs) if you do not elect to request the PAA process.

For administrative purposes only, Docket No. 991437-WS has been assigned to the forthcoming case. Your petition will be deemed filed on the date that the Division of Records and Reporting receives the complete petition, revised tariff sheets, the MFRs, testimony (if not requesting PAA), and the filing fee. To minimize any regulatory lag that may occur, we request that you file the above no later than January 15, 2000. Because of the difficulty in scheduling hearing dates it is not anticipated that an extension of this filing date will be granted.

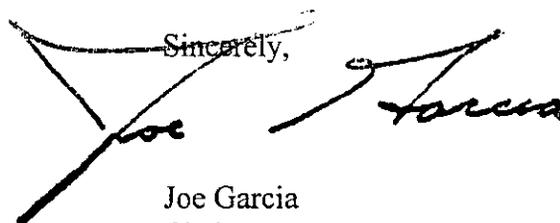
Under the file and suspend law, the time period for processing the request will begin on the date that all of the required data is completely filed. If not complete, the official filing date will be the date the complete corrections to the deficiencies are filed. The utility is instructed to file all information it wishes the Commission to consider when arriving at a decision on its rate case application with its original filing. Because of the time limitations contained in Section 367.081 Florida Statutes, and the lengthy auditing and investigation required, information not filed with the original application may not be considered. Lastly, the utility should be prepared to justify all

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increased operation and maintenance expenses, particularly those in excess of customer growth and inflation since the year ended December 31, 1994, the calendar year which is five years prior to the current test year.

Sincerely,  
  
Joe Garcia  
Chairman

JG/pwm

cc: Commissioners  
Mr. Talbott  
Dr. Bane  
Division of Water and Wastewater (Willis, Merchant)  
Division of Legal Services (Gervasi)  
Division of Records and Reporting  
Jack Shreve, Office of Public Counsel